NOOR INTERNATIONAL ACADEMY

Financial Report
with Supplemental Information
June 30, 2026

NOOR INTERNATIONAL ACADEMY

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Wilkerson & Associate P.C.
CERTIFIED PUBLIC ACCOUNTANTS

3 PARKLANE BLVD. SUITE 612
DEARBORN, MICHIGAN 48126
313-982-4340 FAX 313-982-4342

LARRY WILKERSON, C.P.A
THOMAS E. WILKERSON, C.P.A

Independent Auditor's Report

To Management and
The Board of Directors of
Noor International Academy

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund and the Food service fund of Noor International Academy (the 'Academy'), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the Food service fund of Noor International Academy as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Academy, and meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgement and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements is required by the Government Auditing Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Noor International Academy's basic financial statements. The other supplementary information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The other supplementary information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as identified in the table of contents, is fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2026, on our consideration of Noor International Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Noor International Academy 's internal control over financial reporting and compliance.

Wilkerson & Associate PC

Dearborn, Michigan
September 4, 2026

Wilkerson & Associate P.C.
CERTIFIED PUBLIC ACCOUNTANTS

3 PARKLANE BLVD. SUITE 612
DEARBORN, MICHIGAN 48126
313-982-4340 FAX 313-982-4342

LARRY WILKERSON, C.P.A
THOMAS E. WILKERSON, C.P.A

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To Management
And The Board of Directors of
Noor International Academy

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the Food service fund of Noor International Academy as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Noor International Academy's basic financial statements, and have issued our report dated September 4, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit, we considered Noor International Academy's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Noor International Academy's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Noor International Academy's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Noor International Academy's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Noor International Academy's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal and compliance, Accordingly, this communication is not suitable for any other purpose.

Wilkerson & Associate PC

Dearborn, Michigan
September 4, 2026

NOOR INTERNATIONAL ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2026

Our discussion and analysis of **Noor International Academy's** (the "Academy") financial performance provides an overview of the Academy's financial activities for the fiscal year ended June 30, 2026, with comparative information for the fiscal year ended June 30, 2025. This discussion and analysis are required supplementary information and should be read in conjunction with the Academy's basic financial statements and the notes to those statements, which follow this section. The analysis focuses on why the amounts reported changed from the prior year, not merely on the amounts by which they changed.

Overview of the Financial Statements

This annual report consists of four components: (1) government-wide financial statements, (2) fund financial statements, (3) notes to the basic financial statements, and (4) required supplementary information, which includes this discussion and analysis and the budgetary comparison schedule for the General Fund.

Government-wide financial statements

The statement of net position and the statement of activities report information about the Academy as a whole using the economic resources measurement focus and the accrual basis of accounting, similar to a private-sector business. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The statement of net position presents all of the Academy's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as one indicator of whether the Academy's financial position is improving or deteriorating.

Fund financial statements

The fund financial statements report the Academy's individual funds. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which focuses on how cash and other financial resources flow into and out of the funds and on the balances remaining at year end that are available for spending.

The Academy's most significant fund is the General Fund. The Academy also reports on a special revenue fund, the Food Service Fund. This fund is solely to facilitate the federal child nutrition program serving the Academy's students and is not designed to generate revenue in excess of expenditures that will accumulate a fund balance beyond three-months of operational expenditures. The fund statements provide a short-term view of the resources available to finance the Academy's programs and services provided in the near term.

Relationship between the government-wide and fund financial statements

Because the fund statements and government-wide statements use different measurement focuses and basis of accounting for the same activities, the amounts they report differ. Reconciliations that explain these differences are presented immediately following the balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance. The principal differences relate to capital assets and the related depreciation and amortization, long-term debt obligations, and revenues that are earned but not available within the Academy's period of availability.

Notes and required supplementary information

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data presented in the government-wide and fund financial statements. Required supplementary information includes the budgetary comparison schedule for the General Fund, together with notes explaining significant variances between the original and final budgets and between the final budget and actual results. The Academy also voluntarily presents a budgetary comparison schedule for the Food Service Fund as supplementary information.

Financial Summary

The following condensed financial information is drawn from the government-wide financial statements and compares the current- year with the prior year. The analysis of the reasons for these changes appears in the Detailed Analyses section that follows.

Table 1 — Condensed Statement of Net Position (Governmental Activities)

	June 30, 2026	June 30, 2025	$ Change	% Change
Current and other assets	$ 1,496,650	$ 1,577,635	$ (80,985)	-5%
Capital assets, net of accumulated depreciation and amortization	1,091,383	1,127,672	(36,289)	-3%
Total assets	**$ 2,588,033**	**$ 2,705,307**	**$ (117,274)**	-4%
Current and other liabilities	268,129	216,507	51,622	24%
Long-term liabilities	814,089	863,031	(48,942)	-6%
Total liabilities	**$ 1,082,218**	**$ 1,079,538**	**$ 2,680**	0%
Net position:				
Net investment in capital assets	$ 277,294	$ 264,641	$ 12,653	5%
Unrestricted (deficit)	1,228,521	1,361,128	(132,607)	-10%
Total net position	**$ 1,505,815**	**$ 1,625,769**	**$ (119,954)**	-7%

Table 2 — Condensed Statement of Activities (Governmental Activities)

	Year ended 6/30/2026	Year ended 6/30/2025	$ Change	% Change
Program revenues:				
Charges for services	$ 2,880	$ 9,200	$ (6,320)	-69%
Operating grants and contributions	225,441	211,537	13,904	7%
General revenues:				
State sources	2,307,999	2,378,678	(70,679)	-3%
Investment earnings	-	-	-	0%
Other general revenues	137,230	134,219	3,011	2%
Total revenues	**2,673,550**	**2,733,634**	**(60,084)**	**-2%**
Expenses:				
Instruction	1,294,625	1,242,748	51,877	4%
Supporting services	1,216,365	1,228,426	(12,061)	-1%
Food service	163,201	171,881	(8,680)	-5%
Community services	2,848	2,743	105	4%
Interest and fiscal charges on long-term obligations	46,924	75,405	(28,481)	-38%
Unallocated depreciation and amortization	69,541	69,689	(148)	0%
Total expenses	**2,793,504**	**2,790,892**	**2,612**	**0%**
Change in net position	**(119,954)**	**(57,258)**	**(62,696)**	**109%**
Net position — beginning of year	1,625,769	1,683,027	(57,258)	-3%
Net position — end of year	**1,505,815**	**1,625,769**	**(119,954)**	**-7%**

Detailed Analyses

Analysis of the primary government's financial position

Current and other assets decreased by $80,985, primarily due to the use of existing cash resources to fund operating expenditures that exceeded current-year revenues.

Current liabilities increased by $51,622, or 24%, primarily due to changes in the timing of vendor payments. To manage cash flow, the Academy adjusted its payment practices to pay invoices according to their contractual due dates rather than immediately upon receipt.

Net position decreased by $119,954, primarily due to a decrease in enrollment. The Academy's management implemented cost-reduction measures resulting in approximately $40,846 in savings. Unrestricted net position declined due to the utilization of fund resources for operational expenditures.

Analysis of the primary government's results of operations

State-source revenues decreased by $70,679, primarily due to a decline in enrollment of approximately 16 students, resulting in an estimated revenue reduction of $157,000. This decrease was partially offset by a $442 increase in the per-pupil allowance for the 2025-26 fiscal year, along with additional state funding allocations.

The Academy's total expenses for fiscal year 2026 were $2,793,504. Approximately 83% of these expenses were covered by state-source revenues of $2,307,999, 8% by operating grants and contributions of $225,441, and 5% by other general revenues of $137,230. Charges for services provided additional funding of $2,880, representing less than 1% of total expenses. Total revenues were insufficient to cover current-year expenses, resulting in a $119,954 decrease in net position. The Academy utilized existing financial resources to fund the operating shortfall.

Instruction expenses increased by $51,877 due to additional staff needed to support classroom instruction.

Interest and fiscal charges decreased by $28,481 because a debt in the amount of $1,031,359 was extinguished in fiscal year 2025. The Academy sold a building in December 2024, resulting in lower interest costs in subsequent fiscal years.

Analysis of major fund balances and results of operations

The Academy's General Fund is its only major fund and is reported in the governmental fund financial statements. The following analysis addresses the General Fund's financial results and the extent to which resources remain available for spending.

General Fund — The General Fund's fund balance decreased by $132,607, primarily due to a decline in student enrollment, which resulted in reduced revenue. Total revenues were insufficient to cover the fiscal year's expenditures and other financing uses, including a transfer of $33,073 from the General Fund to the Food Service Fund.

The General Fund's unrestricted fund balance decreased by $161,725, from $1,297,435 at June 30, 2025, to $1,135,710 at June 30, 2026, reflecting the use of available financial resources to support current-year operations. Despite this reduction, the Academy continues to maintain unrestricted resources available to support future operations. Management is implementing organizational changes and cost-reduction measures to mitigate future operating shortfalls and maintain the Academy's financial stability.

Significant Capital Asset and Long-Term Financing Activity

Table 3 — Capital Assets, Net of Accumulated Depreciation and Amortization

	June 30, 2026	June 30, 2025	$ Change	% Change
Buildings and improvements	$ 1,041,931	$ 1,058,888	$ (16,957)	-2%
Computer equipment	20,749	30,946	(10,197)	-33%
Furniture and equipment	25,811	33,032	(7,221)	-22%
Right-to-use lease assets (GASB 87)	2,892	4,806	(1,914)	-40%
Total capital assets, net	**$ 1,091,383**	**$ 1,127,672**	**$ (36,289)**	**-3%**

The above schedule represents capital asset activity for the year. The Academy acquired $33,252 in assets consisting primarily of technology upgrades and building improvements. The Academy's current-year depreciation and amortization expense was $69,541, resulting in a net reduction in capital assets of $36,289.

Table 4 — Long-Term Obligations

	June 30, 2026	June 30, 2025	$ Change	% Change
Notes payable	$ 813,191	$ 859,560	$ (46,369)	-5%
Lease liabilities (GASB 87)	898	3,471	(2,573)	-74%
Total long-term obligations	**$ 814,089**	**$ 863,031**	**$ (48,942)**	**-6%**

In May 2018, the Academy purchased the school building it had previously leased, financing the acquisition through a $1,147,500 loan with a 20-year repayment term. During fiscal year 2026, the Academy made principal payments totaling $46,369, reducing the outstanding loan balance to $813,191 as of June 30, 2026.

The Academy also has a lease liability associated with a copier accounted for under GASB Statement No. 87. No additional lease assets were acquired during the fiscal year. Principal payments of $2,573 reduced the outstanding lease liability to $898 as of June 30, 2026. The remaining obligation is scheduled to be satisfied during fiscal year 2027.

Currently Known Facts, Decisions, or Conditions

The following facts, decisions, and conditions are known to management as of the date of the independent auditor's report and are expected to have a significant effect on the Academy's financial position or results of operations in future periods.

Enrollment

For fiscal year 2026–27, the Academy's budgeted enrollment is 176 students, compared with the state pupil count of 172 students for fiscal year 2025–26. The Academy's estimate is based on intent-to-return data and a historical analysis of enrollment trends. Approximately 86% of total General Fund revenue is from state aid funding. As a result, the Academy's funding is heavily dependent on the State's ability to fund local school operations. Based on early enrollment data at the start of the 2026-2027 school year, we anticipate that the fall student count will be close to the estimates used in creating the 2026-2027 budget. Once the final student count and related per-pupil funding is

validated, State law requires the Academy to amend the budget if the Academy's actual resources are not sufficient to fund original appropriations.

State funding
For fiscal year 2025-26, the Academy received $10,050 per-pupil from the State of Michigan. For the upcoming school year, the foundation allowance has increased and the Academy will receive $10,300 per-pupil.

Oversight
The Academy entered into a seven-year contract with Central Michigan University to charter a public-school academy, effective July 1, 2020. The contract requires the Academy to act exclusively as a governmental agency and not undertake any action inconsistent with its status as an entity authorized to receive state school aid funds pursuant to the State Constitution. Central Michigan University is the fiscal agent for the Academy and is responsible for overseeing the Academy's compliance with the contract and all applicable laws. The Academy pays Central Michigan University an administrative fee equal to 3% of the State aid received, as defined in the charter agreement. For the fiscal year ended June 30, 2026, the Academy incurred approximately $53,326 in administrative oversight fees.

The Academy's current charter agreement with Central Michigan University expires on June 30, 2027. The Academy expects to undergo the charter reauthorization process during the 2026-27 fiscal year and continues to maintain a positive working relationship with its authorizer. Based on the ongoing relationship with Central Michigan University, management does not anticipate any significant issues that would prevent the successful renewal of the charter agreement.

Management
The Academy is managed by Hamadeh Educational Services, Inc. (the "Management Company"). The Management Company is responsible for all management, operation, administration, and education of the Academy students. All Academy personnel are provided by the Management Company. Under the management agreement, the Academy pays the Management Company a fee equal to 14% of the state aid received. For the fiscal year ended June 30, 2026, the Academy incurred approximately $283,449 in management fees.

Contacting the Academy's Financial Management

This financial report is designed to provide the Academy's citizens, taxpayers, parents, students, investors, and creditors with a general overview of the Academy's finances and to demonstrate the Academy's accountability for the resources it receives. Questions concerning this report or requests for additional information should be directed to the business office.

NOTE A – BUDGETARY INFORMATION

The Academy follows these procedures in establishing the budgetary data presented in the budgetary comparison schedules:

1. Prior to July 1, the Academy prepares a proposed operating budget for the fiscal year beginning on that date, covering the General Fund and the Food Service Fund.

2. A public hearing is held to obtain taxpayer and community comments on the proposed budget.

3. Prior to July 1, the budget is legally adopted by the Board of Directors. The original fiscal year 2025–26 budget was adopted following a public hearing in accordance with this process.

4. The budget is amended during the year as management identifies the need for revisions. The final amendment to the fiscal year 2025–26 budget was adopted before June 30, 2026.

5. Budgets for the General Fund and the Food Service Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP), which is the same basis used to present actual results in these schedules.

6. The legal level of budgetary control, which is the level at which expenditures may not legally exceed appropriations without Board approval, is the function level. Individual function codes are grouped into the functional categories shown in these schedules. For example, function codes 281 through 285 are budgeted and controlled together as “Central.” Appropriations lapse at year-end.

7. Amounts encumbered for purchase orders, contracts, and similar commitments are not tracked during the year. Budget appropriations are considered expended when goods are delivered or services are rendered.

NOTE B – SIGNIFICANT VARIANCES BETWEEN THE ORIGINAL AND FINAL BUDGET

General Fund

Budgeted revenues decreased by $87,489 from the original budget to the final budget, primarily due to a decline in student enrollment.

Budgeted expenditures increased by $249,211, with increases in instructional services ($160,883), pupil support services ($53,404), instructional support services ($60,062), and central support services ($26,685). The increase in budgeted expenditures reflected revised projections of the costs necessary to maintain the Academy's existing level of instructional services.

Food Service Fund

Budgeted federal program revenue decreased by $36,534 from the original budget to the final budget. Budgeted food service expenditures increased by $25,140. These budget modifications reflected updated estimates of federal child nutrition program reimbursements and related food costs for the fiscal year.

NOTE C – SIGNIFICANT VARIANCES BETWEEN THE FINAL BUDGET AND ACTUAL RESULTS

General Fund

Actual revenues were $16,892 below the final budget, primarily due to anticipated federal funding that was not received by the end of the fiscal year. Actual expenditures were $279,618 below the final budget because certain anticipated expenditures did not materialize during the fiscal year.

Food Service Fund

Actual revenues exceeded the final budget by $3,012. Actual expenditures were $8,471 below the final budget because certain anticipated expenditures did not materialize during the fiscal year.

NOTE D – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The Academy incurred no expenditures in excess of final budgeted appropriations at the function level for the General Fund or the Food Service Fund during the fiscal year ended June 30, 2026. Accordingly, no violations of the Uniform Budgeting and Accounting Act occurred with respect to expenditures exceeding budgeted appropriations.

NOTE E – FOOD SERVICE FUND BUDGETARY COMPARISON

Governmental Accounting Standards Board (GASB) standards require budgetary comparison information to be presented as required supplementary information for the General Fund and each major special revenue fund with a legally adopted annual budget. The Food Service Fund is a nonmajor special revenue fund. Accordingly, its budgetary comparison schedule is presented voluntarily as other supplementary information rather than as required supplementary information.

NOOR INTERNATIONAL ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts		Actual	Variances Over/(Under)	
	Original	Final	(GAAP Basis)	Original Budget to Final Budget	Final Budget Actual
Revenues					
Local sources	$ 141,880	$ 134,275	$ 137,230	$ (7,605)	$ 2,955
State sources	2,404,426	2,307,637	2,307,651	(96,789)	14
Federal Sources	101,497	118,402	98,541	16,905	(19,861)
Total governmental fund revenues	**2,647,803**	**2,560,314**	**2,543,422**	**(87,489)**	**(16,892)**
Expenditures					
Instructional Services	1,195,382	1,356,265	1,292,625	160,883	(63,640)
Supporting Services:					
Pupil support services	106,404	159,808	144,139	53,404	(15,669)
Instructional support services	231,544	291,606	274,051	60,062	(17,555)
General administration	481,541	423,714	372,308	(57,827)	(51,406)
School administration	74,848	94,791	93,944	19,943	(847)
Business support services	12,225	20,250	16,532	8,025	(3,718)
Operations and maintenance	241,774	248,539	218,093	6,765	(30,446)
Pupil transportation services	2,050	2,250	1,190	200	(1,060)
Central support services	104,460	131,145	119,860	26,685	(11,285)
Community Services	3,900	4,350	2,848	450	(1,502)
Facilities acquisition, construction & improvemer	15,000	13,500	11,500	(1,500)	(2,000)
Debt service	132,932	105,053	95,866	(27,879)	(9,187)
Total governmental fund expenditures	**2,602,060**	**2,851,271**	**2,642,956**	**249,211**	**(208,315)**
Excess (deficiency) of revenues over expenditures	**45,743**	**(290,957)**	**(99,534)**	**(336,700)**	**191,423**
Other financing sources (uses)					
Operating transfers in (out)	-	(44,556)	(33,073)	(44,556)	11,483
Total other financing sources (uses)	**-**	**(44,556)**	**(33,073)**	**(44,556)**	**11,483**
Excess of revenues and other financing sources over expenditures and other uses	**45,743**	**(335,513)**	**(132,607)**	**(381,256)**	**202,906**
Fund Balance, July 1, 2025	**1,251,715**	**1,361,127**	**1,361,127**	**109,412**	**-**
Fund Balance, June 30, 2026	**$ 1,297,458**	**$ 1,025,614**	**$ 1,228,520**	**$ (271,844)**	**$ 202,906**

NOOR INTERNATIONAL ACADEMY
OTHER SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FOOD SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts		Actual	Variances Over/(Under)	
	Original	Final	(GAAP Basis)	Original Budget to Final Budget	Final Budget Actual
Revenues					
Local sources	$ 3,500	$ 2,700	$ 2,880	$ (800)	$ 180
State sources	1,650	2,916	348	1,266	(2,568)
Federal Sources	158,500	121,500	126,900	(37,000)	5,400
Total governmental fund revenues	**163,650**	**127,116**	**130,128**	**(36,534)**	**3,012**
Expenditures					
Food Service	146,532	171,672	163,201	25,140	(8,471)
Total governmental fund expenditures	**146,532**	**171,672**	**163,201**	**25,140**	**(8,471)**
Excess (deficiency) of revenues over expenditures	**17,118**	**(44,556)**	**(33,073)**	**(61,674)**	**11,483**
Other financing sources (uses)					
Operating transfers in (out)	-	44,556	33,073	44,556	(11,483)
Total other financing sources (uses)	**-**	**44,556**	**33,073**	**44,556**	**(11,483)**
Excess of revenues and other financing sources over expenditures and other uses	**17,118**	**-**	**-**	**(17,118)**	**-**
Fund Balance, July 1, 2025	**607**	**-**	**-**	**(607)**	**-**
Fund Balance, June 30, 2026	**$ 17,725**	**$ -**	**$ -**	**$ (17,725)**	**$ -**

NOOR INTERNATIONAL ACADEMY
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
Cash	$ 945,500
Receivables	458,340
Prepaid cost and deposits	92,810
Right to use leased assets, net of amoritization	2,892
Capital assets, net of accumulated depreciation	1,088,491
TOTAL ASSETS	2,588,033
LIABILITIES	
Accounts payable	35,776
Accrued liabilities	217,484
Other current liabilities	14,869
Long-term liabilities, due within one year	49,920
Long-term liabilities, due after one year	764,169
TOTAL LIABILITIES	1,082,218
NET POSITION	
Invested in capital assets, net of related debt	277,294
Unrestricted	1,228,521
TOTAL NET POSITION	$ 1,505,815

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Governmental Activities: Net (Expense) Revenues and Changes in Net Assets
Governmental Activities				
Instruction	$ 1,294,625	$ -	$ 98,541	$ (1,196,084)
Supporting Services				
Pupil support services	144,139	-	-	(144,139)
Instructional support services	274,051	-	-	(274,051)
General administration	372,308	-	-	(372,308)
School administration	93,944	-	-	(93,944)
Business support services	16,532	-	-	(16,532)
Operations and maintenance	195,993	-	-	(195,993)
Pupil transportation services	1,190	-	-	(1,190)
Central support services	118,208	-	-	(118,208)
Food services	163,201	2,880	126,900	(33,421)
Community activities	2,848	-	-	(2,848)
Interest on long term debt	46,924	-	-	(46,924)
Depreciation (unallocated)	69,541	-	-	(69,541)
Total Governmental Activities	$ 2,793,504	$ 2,880	$ 225,441	(2,565,183)
General Revenues				
State sources - unrestricted				2,307,999
Other local sources				137,230
Total General Revenues				2,445,229
Change in Net Position				(119,954)
Net Position - July 1, 2025				1,625,769
Net Position - June 30, 2026				$ 1,505,815

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2026

	General Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash-unrestricted	$ 933,821	$ -	$ 933,821
Cash-restricted	11,679	-	11,679
Due from other governmental units	450,898	7,442	458,340
Due from other funds	3,833	-	3,833
Prepaid cost and deposits	92,810	-	92,810
TOTAL ASSETS	**$ 1,493,040**	**$ 7,442**	**$ 1,500,482**
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	35,776	-	35,776
Due to other funds	11,679	3,833	15,512
Accrued expenditures	217,065	419	217,484
Other current liabilities	-	3,190	3,190
TOTAL LIABILITIES	264,520	7,442	271,962
Fund Balances			
Non-Spendable Fund Balance:			
Prepaid cost and deposits	92,810	-	92,810
Restricted Fund Balance:			
Food Service	-	-	-
Assigned Fund Balance:			
Assigned fund balance	500,000	-	500,000
Unrestricted Fund Balance:			
Unassigned fund balance	635,710	-	635,710
TOTAL FUND BALANCE	1,228,520	-	1,228,520
TOTAL LIABILITIES AND FUND BALANCE	**$ 1,493,040**	**$ 7,442**	**$ 1,500,482**

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Total Fund Balances - Governmental Funds			$ 1,228,520
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, not reported as assets in governmental funds.			
	Cost of capital assets	$ 1,803,717	
	Accumulated depreciation	(715,226)	1,088,491
Right to use leased assets used in governmental activities are n financial resoures and therefore are not reported in the			
	Right to use asset at historial cost	$ 9,570	
	Accumulated amortization	(6,678)	2,892
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:			(814,089)
Total Net Position - Governmental Activities			$ 1,505,815

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	General Fund	Nonmajor Funds	Total Governmental Funds
Revenues			
Local sources	$ 137,230	$ 2,880	$ 140,110
State sources	2,307,651	348	2,307,999
Federal sources	98,541	126,900	225,441
Total governmental fund revenues	2,543,422	130,128	2,673,550
Expenditures			
Instructional services	1,292,625	-	1,292,625
Supporting services:			
Pupil support services	144,139	-	144,139
Instructional support services	274,051	-	274,051
General administration	372,308	-	372,308
School administration	93,944	-	93,944
Business support services	16,532	-	16,532
Operations and maintenance	218,093	-	218,093
Pupil transportation services	1,190	-	1,190
Central support services	119,860	-	119,860
Food services	-	163,201	163,201
Community activities	2,848	-	2,848
Facilities acquisition, construction & improvement	11,500	-	11,500
Debt service	95,866	-	95,866
Total governmental fund expenditures	2,642,956	163,201	2,806,157
Excess (deficiency) of revenues over expenditures	(99,534)	(33,073)	(132,607)
Other financing sources (uses)			
Operating transfers in (out)	(33,073)	33,073	-
Total other financing sources (uses)	(33,073)	33,073	-
Excess of revenues and other financing sources over expenditures and other uses	(132,607)	-	(132,607)
Fund Balance, July 1, 2025	1,361,127	-	1,361,127
Fund Balance, June 30, 2026	$ 1,228,520	$ -	$ 1,228,520

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2026

Total Net Change in Fund Balance - Governmental Funds		$ (132,607)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation/amortization expenses in the statement of activities. This is the amount by which depreciation/amortization exceeds capital outlays in the period:		
Capitalized capital outlay	$ 33,252	
Depreciation expense	(67,627)	(34,375)
Amortization expense		(1,914)
Repayment of note principal is an expense in governmental funds, but not in the statement of activities where it reduces long-term debt		48,942
Change in Net Position of Governmental Activities		$ (119,954)

See accompanying notes to the financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Noor International Academy (the "Academy") conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies:

A. Reporting Entity

Noor International Academy is a public school academy that provides instructional and support services to elementary school students from kindergarten to the eighth grade. The Academy was formed as a public school academy pursuant to the Michigan School Code of 1976, as amended by Act No. 362 of the Public Acts of 1993 and Act No. 416 of the Public Acts of 1994.

The Academy entered into a seven-year contract with Central Michigan University to charter a public school academy, expiring on June 30, 2027. The contract requires the Academy to act exclusively as a governmental agency and not undertake any action inconsistent with its status as an entity authorized to receive state school aid funds pursuant to the State Constitution. Central Michigan University is the fiscal agent for the Academy and is responsible for overseeing the Academy's compliance with the contract and all applicable laws. The Academy pays Central Michigan University 3% of State aid as an administrative fee. The total administrative fees paid through June 30, 2026, to Central Michigan University was approximately $53,326.

The accompanying financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. These criteria include significant operational and financial relationships that determine which of the governmental organizations are a part of the Academy's reporting entity, and which organizations are legally separate, component units of the Academy. Based on application of the criteria, the entity does not contain component units.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Substantially all interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All of the Academy's government-wide activities are considered governmental activities.

The statement of net position reports all financial and capital resources, in a net position form (assets minus liabilities equal net position). Net position is displayed in three components, as applicable, net investment in capital assets, restricted (distinguishing between major categories of restrictions), and unrestricted.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational and capital requirements of a particular function.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Statements
The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants, categorical aid, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation *(continued)*

The effect of the interfund activity has been substantially eliminated from the government-wide financial statements.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all unrestricted State aid.

Fund-Based Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities for the current period. For this purpose, the government considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when liability is incurred, as required under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Unrestricted state aid, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation *(continued)*

The State of Michigan utilizes a foundation allowance approach, which provides for a specific annual amount of revenue per student based on a state-wide formula. The foundation allowance is funded from a combination of state and local sources. Revenues from state sources are primarily governed by the School Aid Act and the School Code of Michigan. The State portion of the foundation is provided from the State's School Aid Fund and is recognized as revenue in accordance with state law.

The Academy also receives revenue from the State to administer certain categorical educational programs. State rules require that revenue earmarked for these programs be used for its specific purpose. Certain categorical funds require an accounting to the State of the expenditures incurred. For categorical funds meeting this requirement, funds received which are not expected to be expended by the close of the fiscal year are recorded as deferred revenue. Other categorical funding is recognized when the appropriation is received.

The Academy reports on the following major governmental fund:

General Fund
The General Fund is used to record the general operations of the Academy pertaining to education and those operations not provided for in other funds. Included are all transactions related to the approved current operating budget.

Additionally, the Academy reports the following non-major governmental Food Service and Fiduciary Funds:

Food Service Fund
This fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes in the Academy's food service program. Any deficit generated by this activity is the responsibility of the General Fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation *(continued)*

Custodial Funds
Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The Academy maintains custodial funds to hold assets as an agent in a trustee capacity for various classes, clubs, and student activities.

D. Assets, Liabilities and Net Position or Equity

Deposits, Cash Equivalents, and Investments
Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of twelve months or less when acquired.

The Academy believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all bank deposits. As a result, the Academy evaluates each financial institution it deposits Academy funds with and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk are used as depositories.

The Academy is authorized by Michigan Compiled Laws, Section 129.91 to invest surplus monies in federally insured United States banks, credit unions, and savings and loan associations that have offices in Michigan. The Academy is also authorized to invest in bonds and notes, certain commercial paper, U.S. Government repurchase agreements, bankers' acceptances and mutual funds and investment pools that are composed of authorized investment vehicles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

D. Assets, Liabilities and Net Position or Equity *(continued)*

Investments are recorded at fair value, based on quoted market prices, or estimated fair value.

Receivables
Receivables at June 30, 2026 consist primarily of state school aid due from the State of Michigan and the federal government. All receivables are expected to be fully collected in July and August of 2026 and are considered current for the purposes of these financial statements.

Prepaid Expenses
Payments made to vendors for services that will benefit periods beyond June 30, 2026, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and expenditure is reported in the year in which the services are consumed.

Capital Assets
Capital assets, which include land, buildings, equipment, and vehicles are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than $1,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset life are not capitalized. The Academy does not have any infrastructure-type assets.

Buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

Buildings and additions	20 – 50 years
Buses and other vehicles	5 – 10 years
Furniture and other equipment	5 – 20 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

D. Assets, Liabilities and Net Position or Equity *(continued)*

MPSERS Liability
The Academy contracted with Hamadeh Educational Services, Inc. – Management Company to provide all staffing personnel during the year under audit. Consequently, all staffing costs are treated as purchased services in the financial statements.

The Academy has no obligation to fund the Michigan Public School Employees Retirement System for the year ended June 30, 2026.

Deferred Revenue
Governmental funds report deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned.

Long-Term Obligations
In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental fund types recognize bond proceeds, premiums and discounts, as well as issuance costs, during the current period. At the end of the school year, the Academy had long-term debt outstanding.

Fund Equity
In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriations or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the fund financial statements, governmental funds report the following components of the fund balance:

- **Non-spendable**- Amounts that are not in spendable form or are legally or contractually required to be maintained intact.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

D. Assets, Liabilities and Net Position or Equity *(continued)*

- **Restricted-** Amounts that are legally restricted by outside parties, constitutional provision, or by enabling legislation for use of a specific purpose.
- **Committed**-Amounts that have been formally set aside by the Board of Directors for use and specific purposes. Commitments are made and can be rescinded only via resolution of the Board of Directors.
- **Assigned**- Intent to spend the resources on a specific purpose expressed by the Board of Directors.
- **Unassigned**- Amounts that do not fall into any of the above categories. This is the residual classification for amounts in the General Fund and represents fund the fund balance that has not been assigned to other funds or has not been restricted, committed or assigned for specific purposes in the General Fund.

Comparative Data
Comparative data is not included in the Academy's financial statements.

Government-wide financial (statements statement of net position and statement of activities) prepared using full accrual accounting for all of the Academy's activities have been provided. The fund financial statements focus on major funds rather than fund types.

Estimates
The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

The Academy is legally subject to the budgetary control requirements of the State of Michigan P.A. 621 of 1978 (the Uniform Budgetary Act). The following is a summary of the requirements of the Act:

1. Budgets must be adopted for the General Fund and Special Revenue Funds by July 1.

2. The budgets must be balanced.

3. The budgets must be amended when necessary.

4. Public hearings must be held before budget adoptions.

5. Expenditures cannot exceed budget appropriations.

6. Expenditures must be authorized by a budget before being incurred.

The Academy formally adopted General Fund and Special Revenue Funds (Food Services) budgets by function for the fiscal year ended June 30, 2026. Expenditures at this level in excess of amounts budgeted are a violation of Michigan law. Unexpended appropriations lapse at year end; encumbrances are not included as expenditures. No encumbrances were outstanding in the General Fund and Special Revenue Funds at June 30, 2026. During the current year, the budget was amended in a legally permissible manner.

The combined statement of revenues, expenditures and changes in fund balances – all governmental fund types are presented in conformity with generally accepted accounting principles. The combined statement of revenues, expenditures and changes in fund balances – budget and actual is presented on the same basis of accounting used in preparing the adopted budget.

NOTE 3 - DEPOSITS AND INVESTMENTS

State statutes and the Academy's investment policy authorize the Academy to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan; the Academy is allowed to invest in U.S. Treasury or agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The Academy's deposits are in accordance with statutory authority. The Academy has designated one bank for the deposit of its funds and has not adopted any other formal investment policy.

The Academy's cash and investments are subject to custodial credit risk, which is examined in more detail below:

Custodial Credit Risk of Bank Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Academy's deposits may not be returned to it. The Academy evaluates its depositories and only those with an acceptable risk level are used for the Academy's deposits.

The Academy believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

At year end, the Academy's deposits and investments were reported in the basic financial statements as cash and cash equivalents of $945,500.

The deposits of the Academy were reflected in the accounts of the financial institution at $978,113 of which $470,383 is covered by federal depository insurance.

NOTE 4- INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances is as follows:

	Fund Due From			
	General Fund	Food Service Fund	Fiduciary Fund	Total
Fund Due To				
General Fund	$ -	$ 3,833	$ -	$ 3,833
Fiduciary Fund	11,679	-	-	11,679
Total	**$ 11,679**	**$ 3,833**	**$ -**	**$ 15,512**

The balance is a result of the lag time between the dates that goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

NOTE 5 - CAPITAL ASSETS

Capital assets activity of the Academy's governmental activities was as follows:

	Balance July 1, 2025	Additions	Disposals and Adjustments	Balance June 30, 2026
Assets being depreciated				
Building	$ 1,385,409	$ 31,600	$ -	$ 1,417,009
Computer equipment	274,501	1,652	-	276,153
Furniture and equipment	110,555	-	-	110,555
Right to use leased assets	9,570	-	-	9,570
Subtotal	1,780,035	33,252	-	1,813,287
Accumulated depreciation/amortization:				
Building	326,521	48,557	-	375,078
Computer equipment	243,555	11,849	-	255,404
Furniture and equipment	77,523	7,221	-	84,744
Right to use leased assets	4,764	1,914	-	6,678
Subtotal	652,363	69,541	-	721,904
Net capital assets	$ 1,127,672	$ (36,289)	$ -	$ 1,091,383

NOTE 5 - CAPITAL ASSETS *(continued)*

Depreciation and amortization expense was not charged to specific activities as the Academy considers its assets to impact multiple activities and allocation is not practical.

NOTE 6 - DEBT

In May 2018, the Academy purchased the school building in which it had been leasing. The principal balance of the loan was $1,147,500 to be repaid over a twenty-year period. At the end of June 30, 2026, the Academy had $812,557 in outstanding debt, related to the purchase of the building. The fixed annual interest rate was 5% for the first five years. On the conversion date, June 5, 2023, the interest rate shall reprice and reset to a fixed annual rate equal to 2.75% above the weekly average yield on five-year U.S. Treasury securities, with a cap of 5.5%.

In September of 2022, the Academy entered into a four-year lease agreement for office equipment. The present value of the leased asset at acquisition was $9,570. The annual interest rate is 7%. At the end of June 30, 2026, the academy had $898 in outstanding debt related to the leased office equipment.

The Long-term obligation activity can be summarized as follows:

Governmental Activities:	Beginning Balance	Additions	Reductions	Due Within One Year	Ending Balance
Notes	$ 859,560	$ -	$ (46,369)	$ 49,022	$ 813,191
RTU Asset Liability	3,471	-	(2,573)	898	898
TOTAL	**$ 863,031**	**$ -**	**$ (48,942)**	**$ 49,920**	**$ 814,089**

NOTE 6 - DEBT *(continued)*

The repayment schedule below includes the debt for the school building and the leased office equipment.

Period	Principal Amounts	Interest Amount	Total Debt Service
2026-2027	49,920	46,763	96,683
2027-2028	51,713	43,895	95,608
2028-2029	54,785	38,347	93,132
2029-2030	57,919	35,213	93,132
2030-2031	61,233	31,899	93,132
2031- BEYOND	538,520	113,284	651,804
TOTAL	**$ 814,089**	**$ 309,402**	**$ 1,123,491**

NOTE 7 - RISK MANAGEMENT

The Academy is exposed to various risks of loss related to property loss, torts, errors and omissions and employees, injuries (worker's compensation), as well as medical benefits provided to employees. The Academy has purchased commercial insurance for all claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage since inception.

NOTE 8 - MANAGEMENT AGREEMENT

The Academy has entered into a management agreement with Hamadeh Educational Services, Inc. (the "Management Company"), and a for-profit corporation. The Management Company is responsible for all management, operation, administration, and education of the Academy. All Academy personnel are provided by the Management Company. The management fees for the year ended June 30, 2026, were approximately $283,449.

NOTE 9 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 4, 2026, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

NOTE 10 - IMPLEMENTATION OF STANDARD

For the year ended June 30, 2026, the Academy implemented Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*.

Summary

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of Statement No. 103 is to improve key components of the governmental financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

The requirements of Statement No. 103 are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Accordingly, the Academy implemented the provisions of Statement No. 103 for the year ended June 30, 2026. The Statement includes targeted improvements to the presentation and disclosure requirements related to management's discussion and analysis, unusual or infrequent items, proprietary fund financial statements, major component unit information, and budgetary comparison information.

REQUIRED SUPPLEMENTARY INFORMATION

NOOR INTERNATIONAL ACADEMY
BUDGETARY COMPARISON SCHEDULE-GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Budgeted Amounts		Actual	Variances Over/(Under) Final
	Original	Final	(GAAP Basis)	to Actual
Revenues				
Local sources	$ 141,880	$ 134,275	$ 137,230	$ 2,955
State sources	2,404,426	2,307,637	2,307,651	14
Federal sources	101,497	118,402	98,541	(19,861)
Other transactions and financing sources	-	-	-	-
Total governmental fund revenues	**2,647,803**	**2,560,314**	**2,543,422**	**(16,892)**
Expenditures				
Instructional Services	1,195,382	1,356,265	1,292,625	(63,640)
Supporting Services:				
Pupil support services	106,404	159,808	144,139	(15,669)
Instructional support services	231,544	291,606	274,051	(17,555)
General administration	481,541	423,714	372,308	(51,406)
School administration	74,848	94,791	93,944	(847)
Business support services	12,225	20,250	16,532	(3,718)
Operations and maintenance	241,774	248,539	218,093	(30,446)
Pupil transportation services	2,050	2,250	1,190	(1,060)
Central support services	104,460	131,145	119,860	(11,285)
Community Services	3,900	4,350	2,848	(1,502)
Facilities acquisition, construction & improvemer	15,000	13,500	11,500	(2,000)
Debt service	132,932	105,053	95,866	(9,187)
Total governmental fund expenditures	**2,602,060**	**2,851,271**	**2,642,956**	**(208,315)**
Excess (deficiency) of revenues over expenditures	**45,743**	**(290,957)**	**(99,534)**	**191,423**
Other financing sources (uses)				
Operating transfers in (out)	-	(44,556)	(33,073)	11,483
Total other financing sources (uses)	**-**	**(44,556)**	**(33,073)**	**11,483**
Excess of revenues and other financing sources over expenditures and other uses	**45,743**	**(335,513)**	**(132,607)**	**202,906**
Fund Balance, July 1, 2025	**1,251,715**	**1,361,127**	**1,361,127**	**-**
Fund Balance, June 30, 2026	**$ 1,297,458**	**$ 1,025,614**	**$ 1,228,520**	**$ 202,906**

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
BALANCE SHEET
SPECIAL REVENUE FUND
JUNE 30, 2026

	Food Services
ASSETS	
Due from other governmental units	$ 7,442
TOTAL ASSETS	**7,442**
LIABILITIES AND FUND BALANCES	
Liabilities	
Due to other funds	3,833
Accrued expenditures	419
Other current liabilities	3,190
TOTAL LIABILITIES	7,442
Fund Balances	
Restricted Fund Balance:	
Food Service	-
TOTAL FUND BALANCE	-
TOTAL LIABILITIES AND FUND BALANCE	**$ 7,442**

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
SPECIAL REVENUE FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2026

	Food Services
Revenues	
Local sources	$ 2,880
State sources	348
Federal sources	126,900
Operating transfers in	33,073
Total Revenues	163,201
Expenditures	
Food services	163,201
Total Expenditures	163,201
Excess of revenues over expenditures and other financing sources	-
Fund Balance- Beginning of Year	-
Fund Balance-End of Year	**$ -**

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
STATEMENT OF NET POSITION
FIDUCIARY FUND
JUNE 30, 2026

	Custodial Funds
ASSETS	
Due from General Fund	$ 11,679
TOTAL ASSETS	**11,679**
NET POSITION	
Restricted for:	
Individuals, organizations and other custodial activities	11,679
TOTAL NET POSITION	**$ 11,679**

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	Custodial Funds
Additions	
Fundraisers	$ 13,826
Total additions	13,826
Deductions	
Supplies and materials	10,907
Total deductions	10,907
Net increase (decrease) in fidicuary net position	2,919
Net Position, July 1, 2025	8,760
Net Position, June 30, 2026	$ 11,679

See accompanying notes to the financial statements

NOOR INTERNATIONAL ACADEMY
REPORT TO THE BOARD OF DIRECTORS

JUNE 30, 2026

Wilkerson & Associate P.C.
CERTIFIED PUBLIC ACCOUNTANTS

3 PARKLANE BLVD. SUITE 612
DEARBORN, MICHIGAN 48126
313-982-4340 FAX 313-982-4342

LARRY WILKERSON, C.P.A
THOMAS E. WILKERSON, C.P.A

To the Board of Directors of
Noor International Academy

We have recently completed our audit of the basic financial statements of Noor International Academy (the "Academy") as of and for the year ended June 30, 2026.In addition to our audit report, we are providing the following required audit communication, recommendations, and informational items which impact the Academy:

	Page(s)
Results of Audit	**2-5**
Recommendations	**6**
Informational Items	**6-7**

We are grateful for the opportunity to be of service to Noor International Academy. Should you have any questions regarding the comments in this report, please do not hesitate to call.

Wilkerson & Associate PC

September 4, 2026

Members: A.I.C.P.A. and M.I.C.P.A.

To the Board of Directors
Noor International Academy
September 4, 2026

Results of the Audit

We have audited the financial statements of Noor International Academy (the "Academy") as of and for the year ended June 30, 2026, and have issued our report thereon dated September 4, 2026, Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated January 26, 2026, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. We are responsible for planning and performing the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of the Academy. Our consideration of internal control was solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters and our audit of the financial statements does not relieve you or management of your responsibilities.

Our audit of the Academy's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we have made some assessments of the Academy's compliance with certain provisions of laws, regulations, contracts, and grant agreements. While those assessments are not sufficient to identify all noncompliance with applicable laws, regulations, and contract provisions, we are required to communicate all noncompliance conditions that come to our attention. We have communicated those conditions in a separate letter dated September 4, 2026, regarding our consideration of the Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

We are also obligated to communicate certain matters related to our audit of those responsible for the governance of the Academy, including certain instances of error or fraud and significant deficiencies in internal control that we identify during our audit. In certain situations, *Government Auditing Standards* require disclosure of illegal acts to applicable government agencies. If such illegal acts were detected during our audit, we would be required to make disclosures regarding these acts to applicable government agencies. No such disclosures were required.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters during the preliminary audit phase.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter. We will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Academy are described in Note 1 to the financial statements, a new accounting policy was adopted, GASB 103, and the application of existing policies were not changed during the year ended June 30, 2026

We noted no transactions entered into by the Academy during the year for which there is a lack of authoritative guidance or consensus.

There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates included in this year's financial statements.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statements disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive disclosures included in the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements identified.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statement or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated as of the date of the audit report.

Management Consultants with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultant involves application of an accounting principle to the Academy's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

To the Board of Directors
Noor International Academy
September 4, 2026

Other Audit Findings or Issues

In the normal course of our professional association with the Academy, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Academy, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition of our retention as the Academy's auditors.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for other information in documents containing the Academy's financial statements and report does not extend beyond the financial statements. We do not have an obligation to determine whether or not such information is properly stated. However, we read the management's discussion and analysis and budgetary comparison schedule and nothing came to our attention that caused us to believe that such information, or its manner of presentation is materially inconsistent with the information or manner of its presentation in the financial statements.

In addition to the comments and recommendations in this letter, our observations and comments regarding the Academy's internal controls, including any significant deficiencies or material weaknesses that we identified, have been reported to you in the report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards.*

This information is intended solely for the use of the board of directors and management of Noor International Academy and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Wilkerson & Associate PC

Larry D. Wilkerson, CPA

Noor International Academy
September 4, 2026

Recommendations

NOOR INTERNATIONAL ACADEMY RECOMMENDATIONS

As a result of auditing standards required to be implemented last year, the audit continues to require a strong emphasis to be placed on the Academy's internal control systems. The primary goal of internal controls is to provide a reasonable (as opposed to absolute) protection to the Academy and its assets and financial information. During this year's audit process, we noted no items that required management to make changes; therefore, no recommendations are made for this year.

Informational Items

NOOR INTERNATIONAL ACADEMY

September 4, 2026

GASB Statement No. 105 – Subsequent Events, was issued to enhance the consistency and clarity of financial reporting regarding events after the financial statement date but before the financial statements are issued.

This statement is effective for the first time in the Academy's **June 30, 2027,** financial statements.

Key Highlights

Improved Consistency: The primary objective of the statement is to reduce variability in how governments evaluate and report subsequent events, ensuring a more uniform application of guidance.

Clarified Definitions: GASB 105 provides clearer definition regarding what constitutes a subsequent event, helping governments better distinguish between events that require adjustment to the financial statements and those that only require disclosure.

Defined Evaluation Period: The standard clarifies the time frame for evaluating subsequent events, explicitly addressing when the evaluation period ends in relation to the issuance of financial statements.

Enhance Disclosure Requirements: It defines the requirements for disclosing subsequent events to better meet the information needs of financial statement users, ensuring that significant events are appropriately communicated.

Effective Date

GASB Statement No. 105 is effective for years beginning after June 15, 2026, and all reporting periods thereafter.